STUDY

Economic Services Division
Quebec Region

Fisheries and Oceans
Pêches et Océans

Canada

THE MARITIME FISHING INDUSTRY IN RELATION TO SOCIO-ECONOMIC CONDITIONS IN THE MAGDALEN ISLANDS

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EXECUTIVE SUMMARY

The summary table which follows will serve as an executive summary. It contains social and economic information on the Magdalen Islands. The last section of the table compares Quebec's three maritime regions.

SOCIO-ECONOMIC CHARACTERISTICS

	Magdalen Islands
Population	- Population has increased 7.5% since 1976. - The least populous maritime region in Quebec (14 532 residents). - The population is aging less rapidly than in the province overall.
Labour Market	- The unemployment indicator is three times higher than in Quebec as a whole. - Job creation is more vigorous than in the province overall. - Jobs are seasonal.
Income	- Personal disposable income is $2 200 less than the Quebec average of $10 000. - Income is growing more rapidly than the province-wide average.
Importance of Fishing	- Fishing accounts for 46.4% of jobs. - The economy depends heavily on this industry (34.4%). - The primary sector is the biggest employer in the fishing industry.

	Magdalen Islands
Landings	- Catches consist primarily of groundfish, i.e. redfish, cod and plaice. - Catches account for one quarter of all landings in Quebec. - Landings of lobster account for 71% of all lobster catches in Quebec.
Employment	- The primary sector is the biggest employer in the fishing industry. - Since 1985, the number of fishermen and their helpers has grown by 9%.
Characteristics of Fishing Fleets	- In 1987, three quarters of active fishing vessels were lobster boats. - In 1987, 94% of vessels registered in the Magdalen Islands were active. - 5.2% of the fleet accounted for 26% of landings, by value; 93.2% of the fleet accounted for 72.9% of landings, by value. - The cash income of the three categories of fleets has tripled since 1985; that of lobster boats rose from $13 468 to $21 232 between 1986 and 1987.

Magdalen Islands	
Plant Output	- Plant turnover has more than doubled since 1984. - Redfish accounted for 37.6% of the total value of plant output in 1987. Fish fillets and frozen blocks of fillets are the main products. - Lobster accounts for 33.6% of output, by value, in the Magdalen Islands. Live lobster is the main product, and accounts for 80.6% of sales.
Employment	- Between 1985 and 1987, more than 150 jobs were created in the fish processing sector. - In 1987, 1 155 people were working in the processing sector.
Fish Market	- Quebec exports 70% of its overall marine product output; the international market is the key to the future in the industry. - Lobster is sold on the domestic market or exported to the U.S. Prices are rising constantly. Access to the American market has been adversely affected by new legislation governing the minimum size of lobsters destined for sale. - Sales of crab to Japan appear to be steady. Japanese monetary policy and competition from other suppliers such as China could affect the market.

CHARACTERISTICS OF THE MARITIME REGIONS

	Gaspé	North Shore	Magdalen Islands
Population	- In 1986, the population of the region totalled 220 325. - Since 1981, the population has decreased by 1.4%. - The population is aging more rapidly than in the province overall.	- In 1986, the population of the region totalled 105 070. - Over the past 10 years, the population has decreased by 11.7%. - The population is aging more rapidly than in the other maritime regions.	- In 1986, the population of the region totalled 14 532. - Since 1976, the population has grown by 7.5%. - The population is aging less rapidly than in the province overall.
Labour Market	- In 1987, the unemployment indicator was 7.4%. - Employment has increased by 2.3% over the past three years. - Between the first and third quarters of 1987, 51.4% of jobs were seasonal.	- In 1987, the unemployment indicator was 5.8%. - Employment has increased by 0.5% over the past three years. - Between the first and third quarters of 1987, 44.8% of jobs were seasonal.	- In 1987, the unemployment indicator was 14.4%. - Employment has risen significantly, i.e. by 5.1% over the past four years. - Between the first and third quarters of 1987, 54.3% of jobs were seasonal.
Income	- Per capita disposable income averaged $9 454 in 1987. - Income grew by 32%, more rapidly than in the province overall.	- Per capita disposable income averaged $11 400 in 1987. - Income grew by 14%, more slowly than in the province overall.	- Per capita disposable income averaged $10 000 in 1987. - Income grew by 94%, much more rapidly than in the province overall.
Importance of Fishing	- The fishing industry employs 6 786 people, accounting for 7.1% of all jobs. - The fishing fleet comprises 863 vessels. - The region accounts for 54% of all landings in Quebec, by value.	- The fishing industry employs 3 898 people, accounting for 8.6% of all jobs. - The fishing fleet comprises 732 vessels. - The region accounts for 25% of all landings in Quebec, by value.	- The fishing industry employs 2 501 people, accounting for 34.4% of all jobs. - The fishing fleet comprises 440 vessels. - The region accounts for 13% of all landings in Quebec, by value.
Other Observations	- The road and highway network covers the entire region. - A research institute and universities and Cegeps offering marine studies are located in the region.	- The road and highway network covers part of the region; the remainder is accessible by boat and airplane. - No research institutes or educational institutions devoted to marine studies are located in the region.	- The islands are accessible by boat or airplane. The road and highway network covers all of the islands. - No research institutes or educational institutions devoted to marine studies are located in the region.

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Appendix 1: Profiles of Various Magdalen Islands Fishing Fleets in 1987

Appendix 2: Glossary

PREFACE

This information document describes changes in the fishing industry at the regional level. It deals with socio-economic aspects of the sector in Quebec's maritime regions in order to assess the sector's current and future importance in regional economies.

Statistical information on the Quebec fishing industry was provided by the Quebec region Statistics and Informatic Division of the federal Department of Fisheries and Oceans. Manpower estimates in the fishing industry were made using preliminary compilations available from the division.

This report could not have been published without the collaboration of numerous concerned parties and agencies working in Quebec's maritime regions. They provided valuable information on the sectors covered in the study. In particular, we would like to thank: Édith Lachance, Jean Boucher, Bruno Lévesque (Quebec region Statistics and Informatic Division, federal Department of Fisheries and Oceans), Louis-Mari Rouleau, André Lepage (Rimouski and Baie-Comeau offices of the ministère de la Main-d'oeuvre et de la Sécurité du Revenu du Québec), Gilles Provost, Gérald Dubé (Rimouski and Chicoutimi offices of the federal Department of Employment and Immigration), Jean-Guy Coté (Rimouski office of the Office de planification et de développement du Québec), Nicole Benoit (Montreal office, Statistics Canada), and Lionel Corriveau (Hydrographic Service, Maurice Lamontagne Institute, Department of Fisheries and Oceans).

We would also like to thank the Bureau de la statistique du Québec, staff in the Statistics and Informatic Division, Economic Services Branch, and the Development Division of the DFO, and anyone else who collaborated directly or indirectly on this study.

G. Daniel Caron, chief
Economic Services Branch
Department of Fisheries and Oceans
Quebec region, September 1988

1. INTRODUCTION

"The Quebec fishing industry accounts for less than one percent of GNP; fishermen are at the bottom of the ladder in Quebec. Civil servants are as numerous as fishermen. It would be more economical to close Quebec's maritime regions than to keep residents there." Who has not heard or seen this type of comment? People whose daily lives are devoted to fishing must, sooner or later, come to grips with statistics which only partially describe the situation.

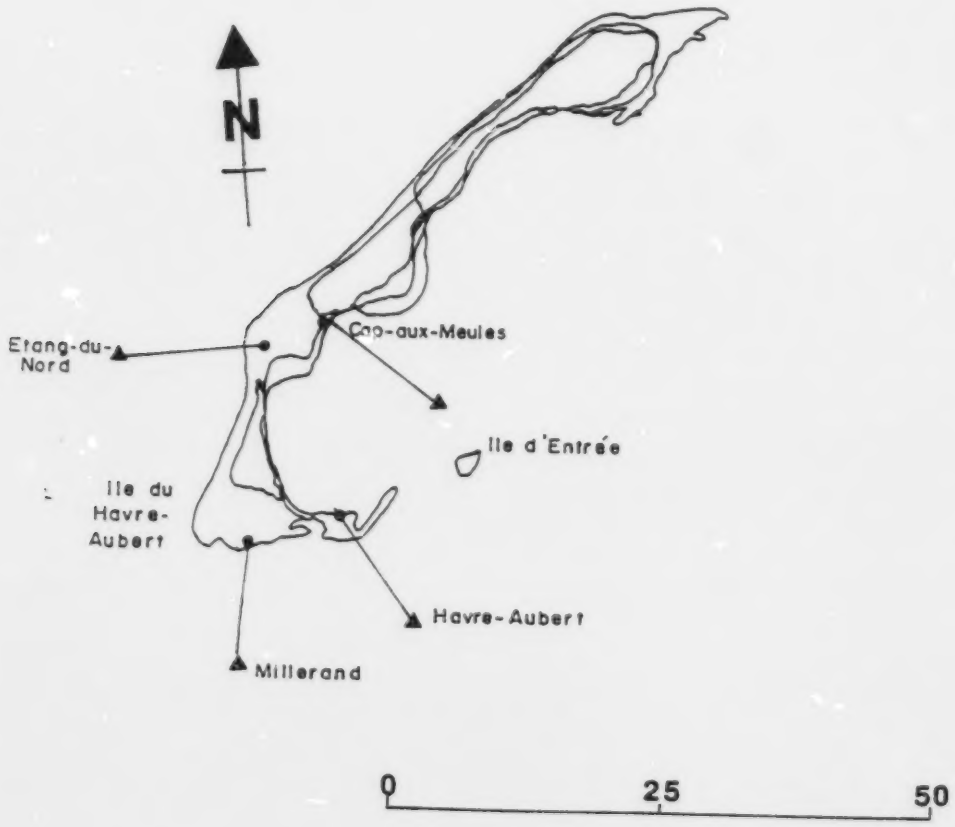
Residents of the Magdalen Islands engage in fishing, but to what extent? What would happen to the region without the fishing industry? This report examines socio-economic aspects of the region.

This report is not a tourist guide, but is intended to be readable; as a result, it contains few tables. Readers wishing to study the matter further should consult the tables in "The Quebec maritime fishing industry in relation to socio-economic condition in the maritime region: statistical supplement".

1.1 Territory

Contrary to the other maritime regions of Quebec, the Magdalen Islands can easily be delineated. The region has an area of 202 km², and 300 km of coastline.

Magdalen Islands



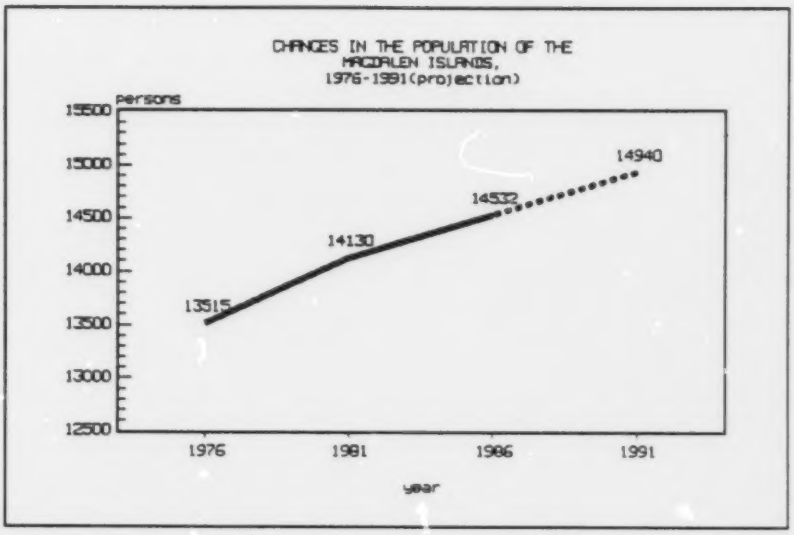
Legend:

Kilometres

Landings 1000 (t)

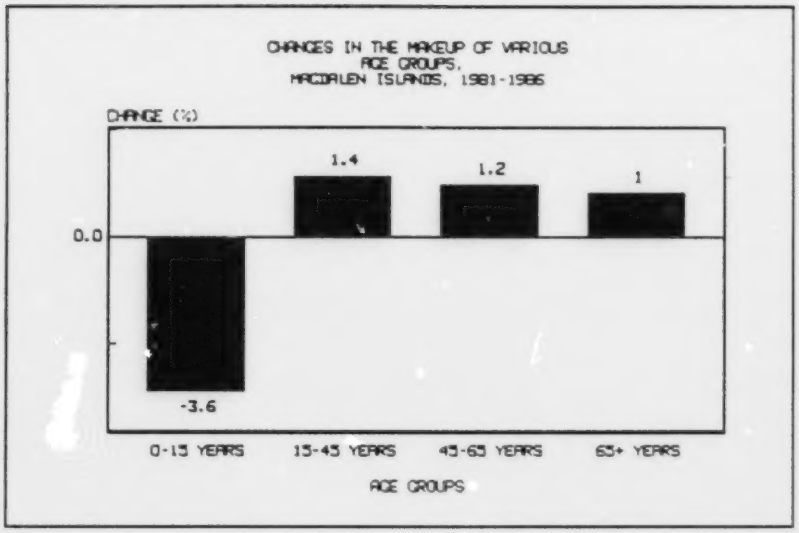
1.2 Population

Graph 1:



In 1986, there were 14 500 residents in the Magdalen Islands region, or 0.3 percent of the overall population of Quebec. The population has grown from 13 515 in 1976, to 14 532 at present, a 7.5 percent increase. Demographers predict that this trend will continue until 1991. During the same period, the population of the province overall increased by 1.5 percent.

Graph 2:

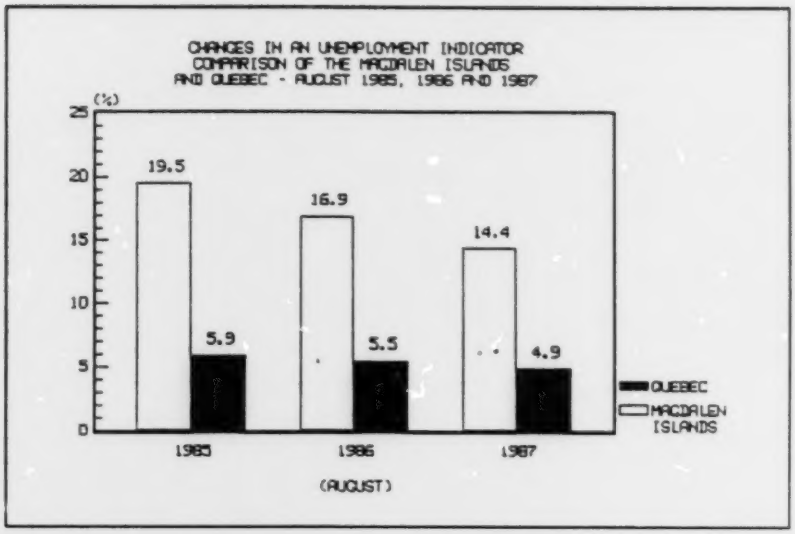


A closer examination of age groups reveals that between 1981 and 1986, the number of residents under 15 decreased, while the number of residents aged 45 or over increased. Residents of the Magdalen Islands are aging less rapidly than Quebecers overall.

1.3 Labour Market

As the unemployment rate for the territory under study was not available, we used an unemployment indicator, which serves as a yardstick for unemployment (see glossary concerning calculation methods).

Graph 3:



The unemployment indicator dropped from 19.5 percent in August 1985 to 14.4 percent in August 1987. The number of unemployed is nearly three times higher in the Magdalen Islands than in Quebec as a whole. Although the situation may seem alarming, it has improved since 1985. The labour market has improved significantly in the region, i.e. the unemployment indicator has decreased by 5.1 percent in the Magdalen Islands, compared with 1.0 percent in the province overall.

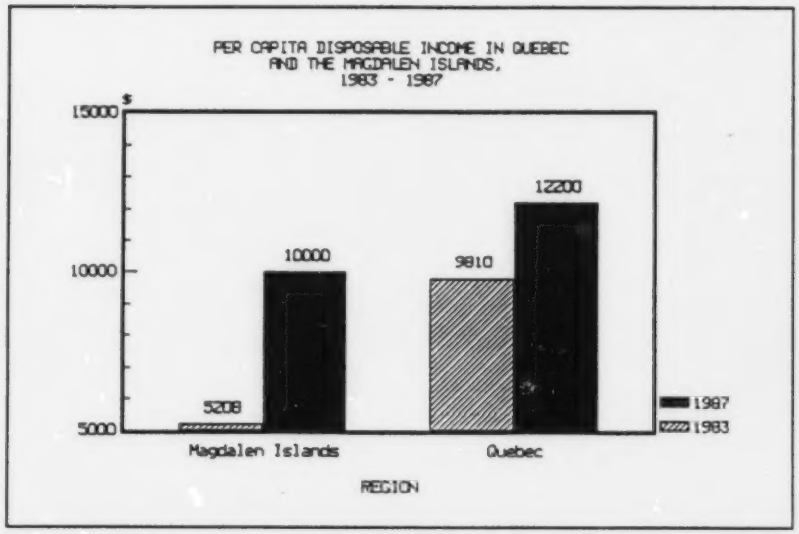
During this period, the number of people able to work increased; the number of unemployment insurance beneficiaries declined, which suggest that many new jobs were created. This observations indicate a striking improvement in the labour market in the region.

Jobs in the Magdalen Islands are seasonal. The number of unemployed in Quebec overall dropped by 30.0 percent between the first and third quarters of 1987, compared with 54.3 percent in the Magdalen Islands.

1.4 Income

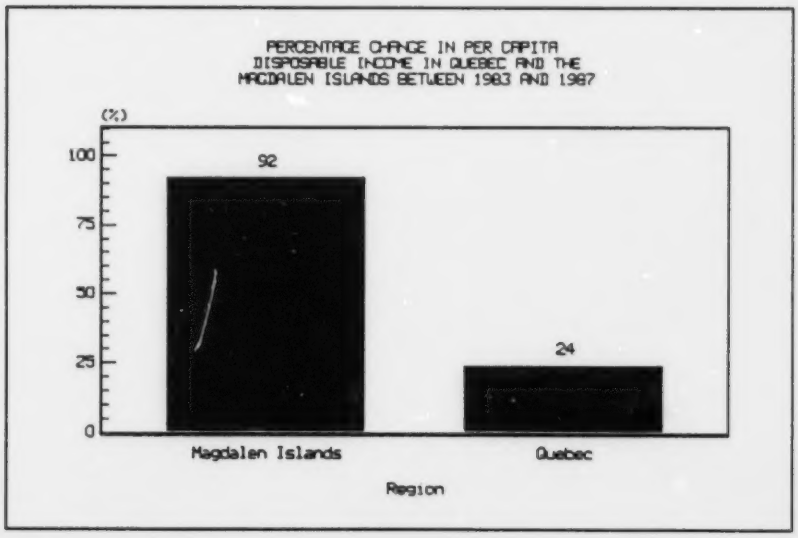
Graph 4:

In 1987, per capita disposable income in the Magdalen Islands was $2 200 lower than the average for Quebec as a whole, i.e. $10 000 compared with $12 200.



Graph 5:

While the region somewhat lags behind the province as a whole in terms of income, the gap seems to have narrowed since 1983. Between 1983 and 1987, per capita disposable income in the Magdalen Islands increased by 92.0 percent, compared with 24.0 percent in Quebec overall.



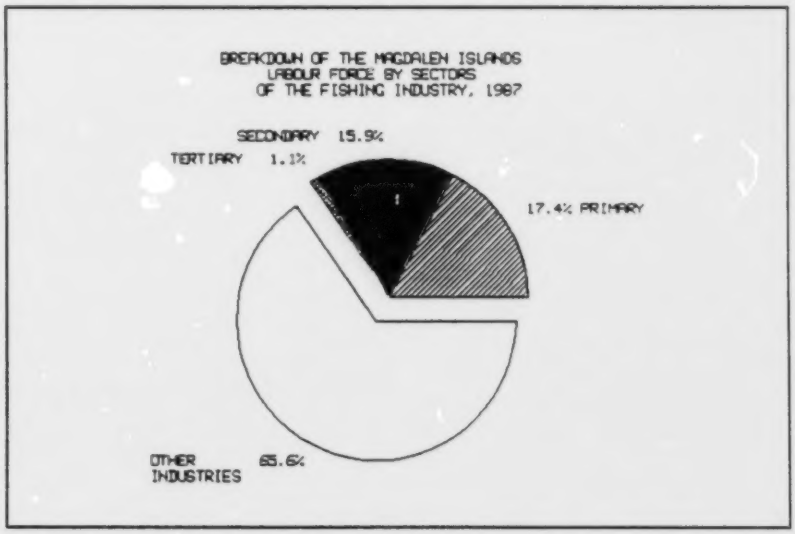
1.5 Importance of Fishing in the Region

Numerous variables may be considered to establish the importance of one sector of the economy in a given region. This study emphasizes the number of jobs in the fishing industry. What portion of the labour force earns income from a job related to the primary, secondary and tertiary sectors of the fishing industry? This section will endeavour to answer that question.

Nearly 35.0 percent of the labour force in the Magdalen Islands earns a living from the fishing industry.

Graph 6:

This figure reveals the vital importance of the fishing industry in the economy of the Magdalen Islands; 34.4 percent of the labour force (2 502 workers) directly earns its livelihood from fishing.



It is no coincidence that fishing is so firmly rooted in the regional economy. Island residents have a limited number of occupations to choose from. Tourism should expand; because choices are few, many people fish.

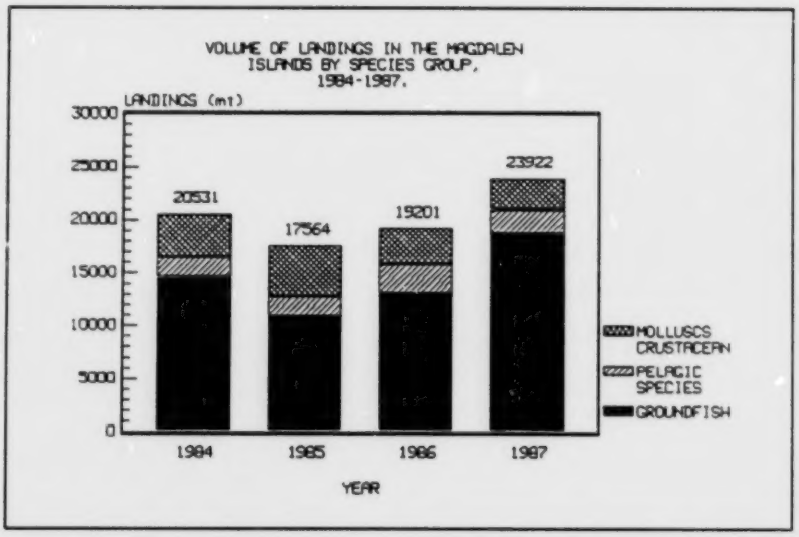
2. OBSERVATIONS ON THE FISHING INDUSTRY

2.1 Primary Sector

2.1.1 Landings

One quarter of all landings in Quebec occur in the Magdalen Islands.

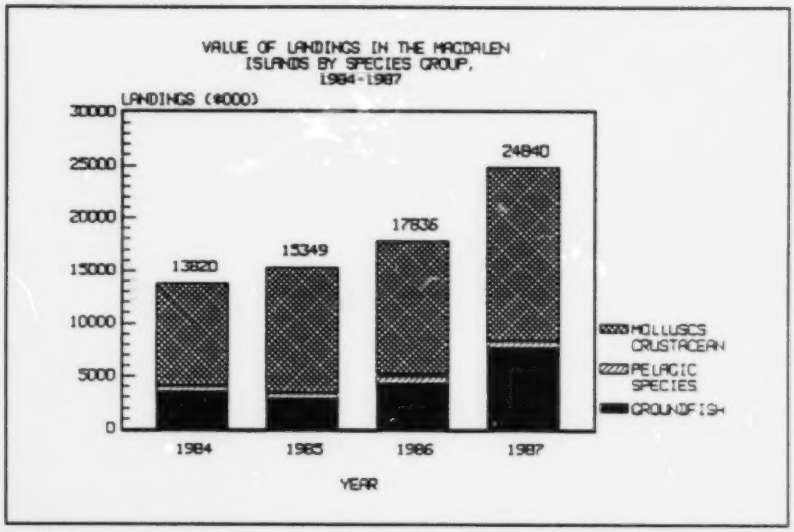
Graph 7:



Since 1985, landings in the Magdalen Islands have increased constantly. In 1987, they totalled 23 922 mt and accounted for almost one quarter of the Quebec total. Landings of groundfish represented 78.0 percent of the total, making that group of species the most heavily fished in the region. Redfish alone accounted for 54.3 percent of landings. Starting in 1984, landings of cod rose constantly, contrary to the other maritime regions, apparently because of the arrival of another fleet using Scottish seines.

Sources of lobster in Quebec

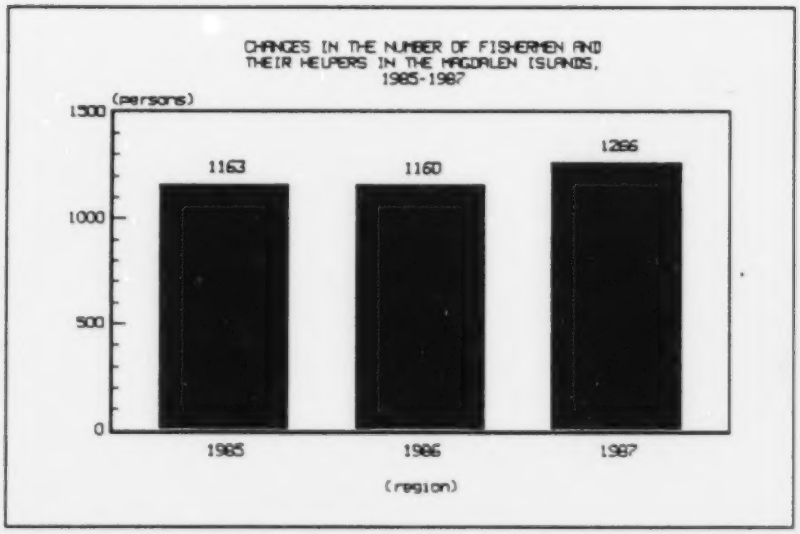
Graph 8:



In 1987, landings in the Magdalen Islands were worth nearly $25.0 million; molluscs and crustaceans ranked first among various species groups in terms of the value of catches. Lobster accounted for 79.0 percent of the value of seafood. Moreover, 70.9 percent of all landings of lobster in Quebec come from the Magdalen Islands.

2.1.2 Fishermen and their helpers

Graph 9:



In 1987, the number of jobs related to fishing totalled 1 266, an increase of nearly 10.0 percent. The increase can be attributed, in part, to higher prices for landed species. More specifically, fishermen operating longliners under 35 feet were apparently attracted by better prices and renewed their permits.

2.1.3 Magdalen Islands fishing fleet

Of the 468 fishing vessels registered in 1987 in the Magdalen Islands, 440 are active (see table in Appendix 1). The boats are organized into eight fleets; the classification is based on various factors such as the species fished, the technique employed, the boat's length and the fishing zone. Because of its specific characteristics, each fleet can seek particular species. There are 231 lobster boats; they account for nearly three quarters of the active vessels.

All of the fleets do not provide the same income for their captain-owners. For example, captain-owners of crabbers, trawlers and Scottish seiners all earn an average salary above $130 000, while the captain-owners of lobster boats earn, on average, $21 232.

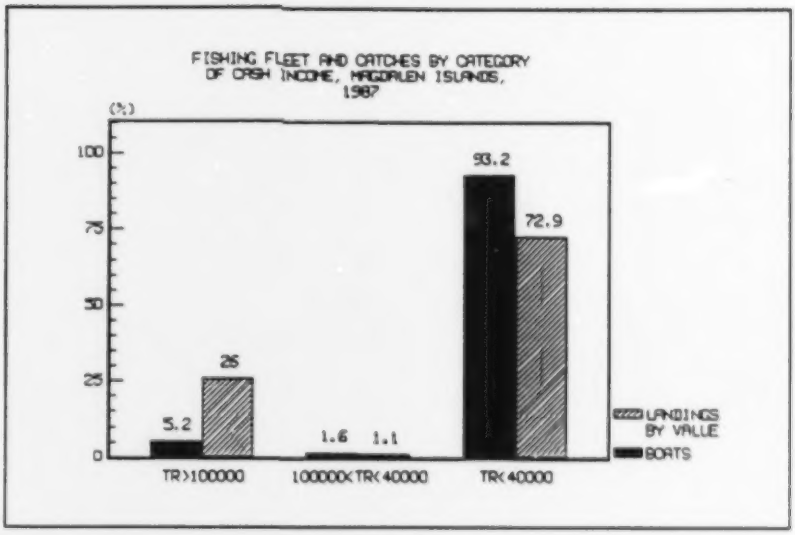
Breakdown of catches of various fleets

The breakdown of catches of various fleets in the Magdalen Islands is based on three categories of pre-tax salaries earned by captain-owners. It should be noted that captains' salaries have been estimated according to Quebec averages, except with respect to lobster boats in the region, where data specific to the sub-region have been used. For a given fleet, the estimated salary may vary because of conditions in the sub-region. The three categories are: fleets in which the owner receives a salary of $100 000 or more; those in which the owner receives between $40 000 and $100 000; and those in which the owner receives less than $40 000. Each of these categories includes the following fleets:

TR $\geq$ $100 000	$100 000 >TR> $40 000	TR $\leq$ $40 000
Trawlers	35' - 50' longliners	Lobster boats
Southwestern Gulf	Scallopers	Longliners
Crabbers		under 35'
Scottish seiners		

(Trawlers 100' or more in length are not included.)

Graph 10:



Fleets whose owners earned more than $100 000 accounted for 13 vessels, or 5.2 percent of the fleet. These owners earned $5.4 million of the $24.1 million generated by landings of fish and crustaceans in the region. Fleets whose owners earned less than $40 000 accounted for 403 vessels or 93.2 percent of the fleet; they landed $15.2 million worth of fish and crustaceans, or 72.9 percent of all landings, by value.

1987: an exceptional year for fishermen

Changes in the cash income of each category of fishing fleet meant that 1987 was a prosperous year. Although income earned by various fleets in the Magdalen Islands did not consistently increase as it did in the other maritime regions, fishermen nonetheless earned more than they did in 1986. For example, the cash income of lobster boats in the under $40 000 income bracket rose from $13 468 to $21 232 between 1986 and 1987. The sudden increase in prices (17 percent) and an upswing in landings (19 percent) are largely responsible.

Renewal of the fleet and young fishermen

The application of quotas on the number of commercial fishing permits and an increase in marine product prices in recent years have considerably enhanced the value of fishing permits. Moroever, changes in the conditions under which governments provide financing have made it harder to renew fleets. Young fishermen are likely to experience appreciable financial pressure, similar to that encountered by young farmers over the past 10 years.

2.2 Secondary Sector

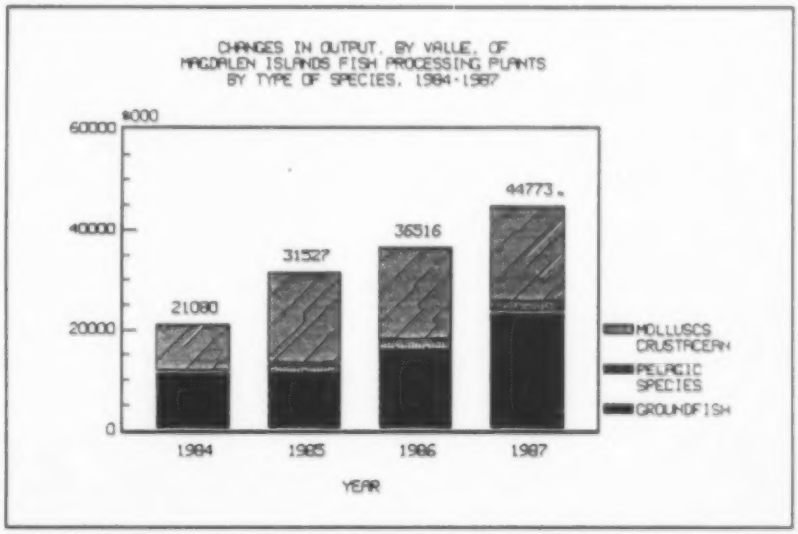
2.2.1 Output

Within four years, the turnover of fish processing plants more than doubled.

Catches landed in 1987 were sold to nine buyers and processed by 13 plants in the Magdalen Islands. Since 1985, four buyers have withdrawn from the fishing business.

Graph 11:

Between 1984 and 1987, the value of fish processed more than doubled, as a result of higher prices for products.



Redfish and lobster are the most extensively processed species in the Magdalen Islands.

In 1987, redfish accounted for 37.6 percent of overall output, by value, and was the main groundfish species processed. Since 1985, processing of redfish has continued to grow, because of bigger catches and higher profit margins. The fish is mainly sold in the form of frozen blocks and fillets; only one plant processes it.

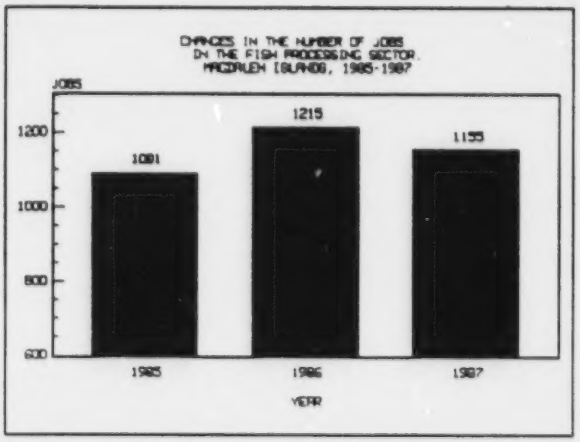
Lobster, closely associated with the Magdalen Islands, ranks second after redfish. Since 1985, output by value has increased constantly; this year, it accounted for 33.6 percent of the region's total sales. Some 80.6 percent of lobster is sold fresh in the shell.

2.2.2 Plant workers

Processing plant jobs have declined in the Magdalen Islands.

Graph 12:

In 1987, 1 155 people were working in the fish processing sector in the Magdalen Islands; the number of jobs fluctuated somewhat between 1985 and 1987. Employment is directly affected by landings and the extent of processing which the product requires.

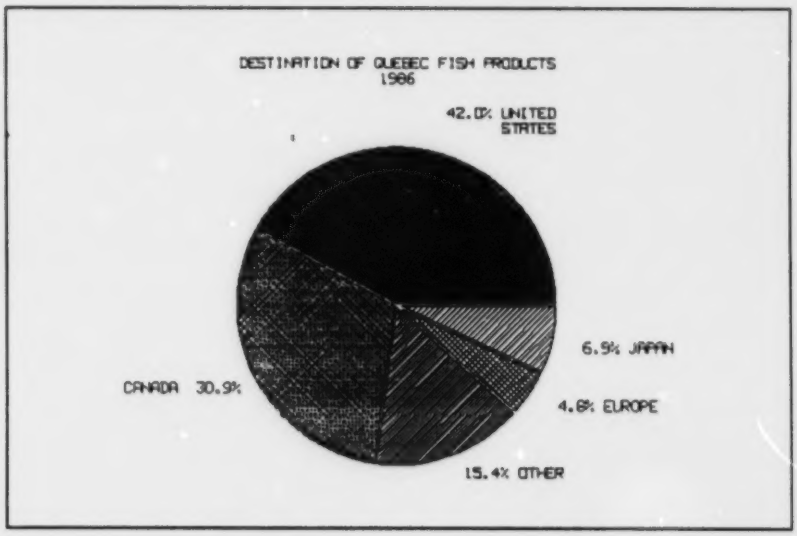


2.3 Fish Market

All industries are affected by consumers or market trends. Growth in the fishing industry in recent years is attributable, above all, to more widespread consumption of fish. Fluctuating exchange rates and the availability of stocks have also affected the market, but it is ultimately the consumer who decides whether or not to buy. The future of the fishing industry depends on consumer behaviour. Who consumes Quebec fish products?

Quebec: An exporter of fish

Graph 13:



Quebec exports its fish products. According to Statistics Canada, nearly 70.0 percent of the province's output is sold abroad: 42.0 percent is exported to the U.S., 6.9 percent to Japan, and 4.8 percent to Europe. Fresh and frozen cod is sold on the Boston market; salted dried cod is sold in the U.S., Portugal and Puerto Rico. Crab is exported to Japan and the U.S.; lobster is shipped to the U.S. and Europe.

Lobster

Most Quebec lobster is consumed in Canada; most exports are destined for the United States. Since 1981, prices have risen constantly, although the increases have not been as marked as for marine products overall. However, a problem has arisen.

Recently adopted American legislation could upset the market. As of 1992, the shells of all lobsters marketed in the U.S. must exceed 3 10/32 inches; at present, the legal marketable size in Canada is 3 inches. As a result, exports to the U.S. will decrease. What impact will the legislation have on the Quebec fishing industry? Will it be possible to find other markets or will it be necessary to follow trends on the U.S. market?

Crab

Japan, which is the world's largest importer of crab, dominates this market. The country has experienced significant economic growth in recent years and its currency has appreciated markedly. Consequently, prices on the market appear stable.

However, other suppliers such as China, the world's foremost producer of crab, are gaining ground in the market. The Japanese government is endeavouring to apply new monetary policies to curb the appreciation of its currency. Could these variables alter current trends with regard to prices?

2.4 Government Intervention and Future Policy

2.4.1 Past Intervention

For a long time, the Quebec fishing industry appeared to be losing ground. Aging fishing fleets were relatively unproductive, processing plants were outmoded, and service infrastructures inappropriate (Canada-Quebec Agreement, 1987-1990). Consequently, output has been very uneven, and productivity has been wanting. The federal and provincial governments intervened to revive the industry.

To this end, government initiatives have centred on increasing catches and processing capacity and improving the quality of products.

Catches: An aging, unproductive, poorly equipped fishing fleet

The ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Quebec and the DFO invested nearly $6.1 million between 1980 and 1987 to rebuild the Magdalen Islands fishing fleet, consisting of nearly 160 boats under 35 feet in length and 55 boats over 35 feet built during the past eight years.

Fishing infrastructures: Inappropriate services which curb the productivity of the fleet

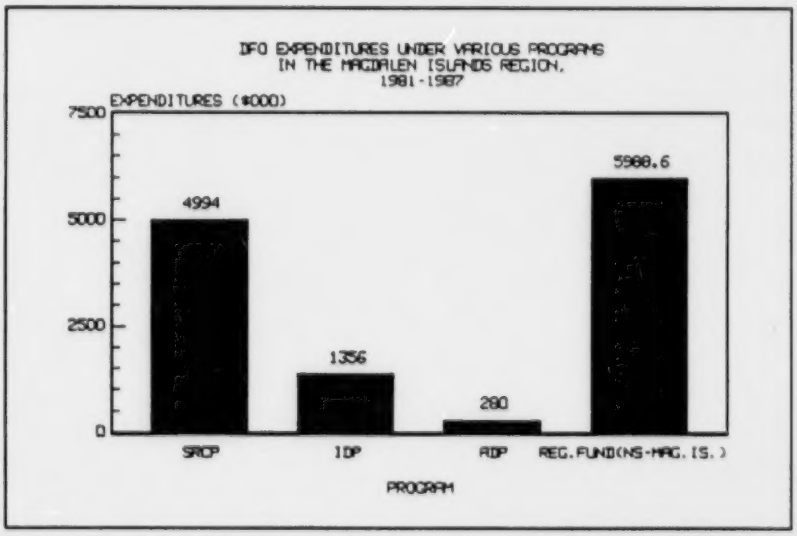
To take but one example, the DFO invested $4.9 million under the Special Recovery Capital Projects Program (SRCP Program) earmarked for the construction of ice silos, handling units and bait warehouses, and the renovation of wharves.

Processing: Outmoded, often insalubrious plants

In the processing sector, the Quebec government (especially MAPAQ) has allocated substantial sums to expanding processing capacity and improving the quality of products.

Past initiatives have largely been concentrated in the Lower St. Lawrence/Gaspé and Magdalen Islands regions. Between 1983 and 1986, the federal and provincial governments earmarked nearly $270.0 million for promoting the development of fishing (Canada-Quebec Agreement, 1987-1990).

Graph 14:



More specifically, between 1981 and 1987, the Department of Fisheries and Oceans invested between $6.6 million and $12.6 million under the Special Recovery Capital Projects Program (SRCP Program), the Atlantic Development Program (ADP), the Island Development Program (IDP), and the Regional Fund (North Shore and Magdalen Islands).

2.4.2 Current situation and new policy guidelines

In recent years, the fishing industry has enjoyed prosperity. Markets have been favourable, demand has been vigorous and prices have been high. However, stocks of a number of traditional species are becoming depleted and several processing plants are experiencing problems of supply. Fishing fleets and processing plants are underutilized. For this reason, the federal and provincial governments have decided to redirect their initiatives.

Rationalizing fishing fleets

Government initiatives affecting fishing fleets will centre on species which are caught in limited quantities or not at all. The Magdalen Islands, like the Gaspé region, are deemed to be a heavily developed fishing area, although there is room for expansion. Mackerel, bluefin tuna, whelks, wild mussels, soft shell clams, quahogs, and edible crab are but a few of the species with a certain potential. In 1988, 15 permits are available for whelk fishing; five permits for scallop and quahog fishing were issued.

Aquiculture: a new avenue for economic development

Aquiculture is one of the solutions advocated to increase the supply of a number of species, while maintaining natural stocks. It also makes it possible to create new jobs and contributes appreciably to the regional economy. Governments wish to promote commercial fish-breeding of species with worthwhile aquicultural and economic potential.

The Magdalen Islands have been pioneers in the field of marine aquiculture. The nine production units consist solely of mussel beds; most of them have already marketed their output. Total sales by all of the firms in 1987 reached $75 000. All parties concerned agree on current potential, although a number of questions persist. The firms have not yet achieved the yields needed to make the mussel industry viable, i.e. 13.5 kg per sock. Short-term financial problems are also hindering development of the industry.

2.5 Other Observations

Port facilities

Although coastlines in the Magdalen Islands are limited, 14 landing ports are located there; the region has six handling units, two warehouses, one bait container, and an ice silo and container.

Transport

Road and air transport are available in the Magdalen Islands, although the road network is less accessible than in the Gaspé region. A ferry links the islands and New Brunswick. Trucking, which is already fairly slow, is further hindered. To reduce the risk of loss, residents rely more heavily on air transport. An airport is located at Havre-aux-Maisons.

Education and research

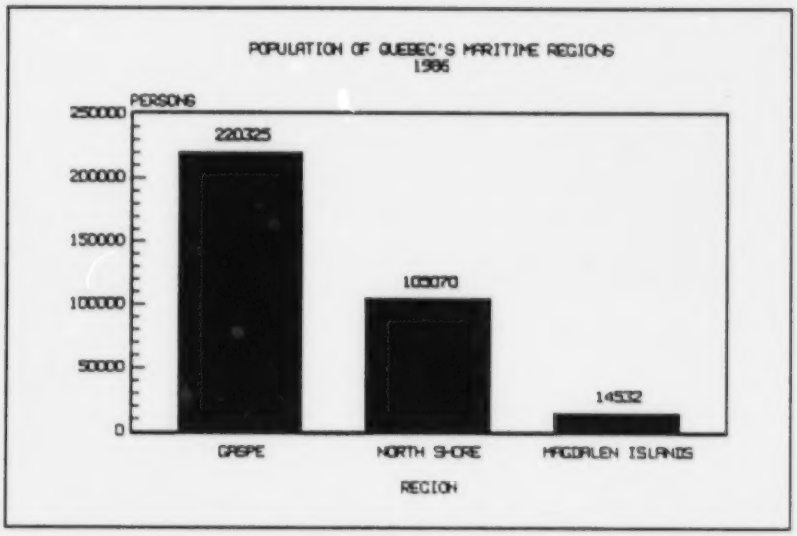
Island residents can attend the CEGEP de la Gaspésie et des Îles located in Cap-aux-Meules. There is no university, but the UQAR offers a number of courses. Aside from the fisheries division of MAPAQ, in which research focuses on various marine species, research is conducted in the region on a seasonal basis.

3. COMPARISON OF QUÉBEC'S MARITIME REGIONS

3.1 Population

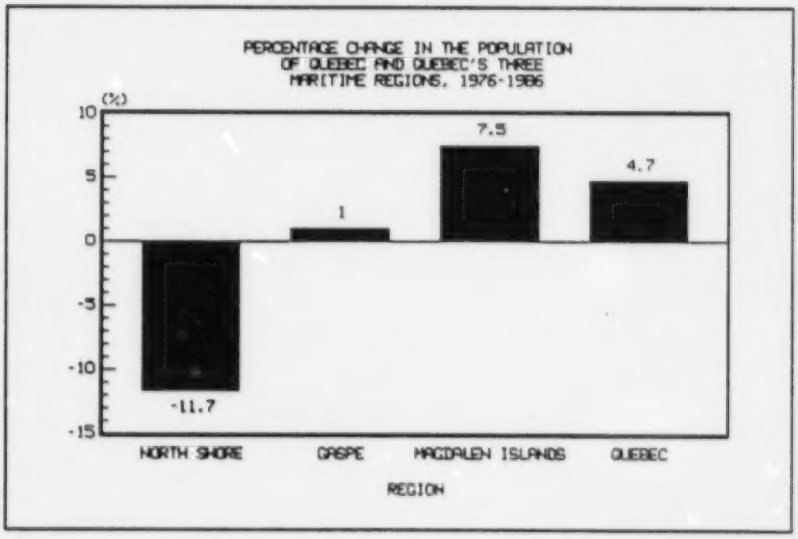
Graph 15:

Quebec's maritime regions account for barely 5.0 percent of the province's population. The Gaspé region accounts for 65.0 percent of the maritime population.



Graph 16:

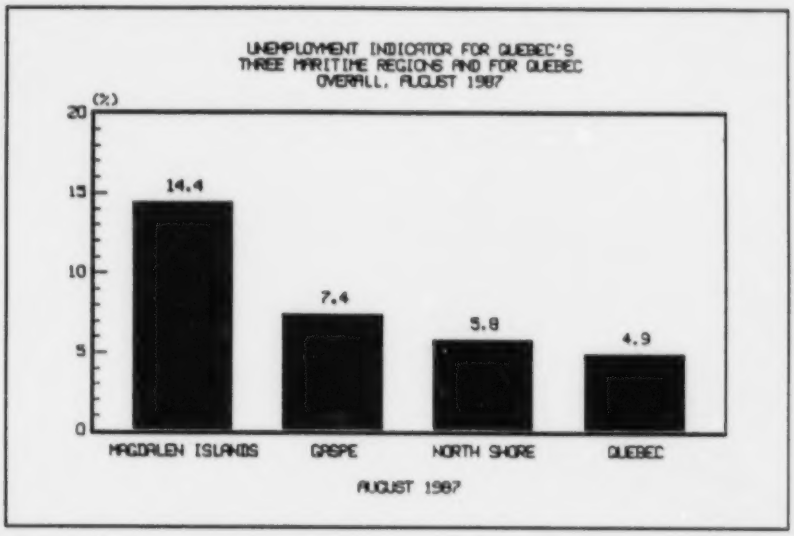
Between 1976 and 1986, the population of Quebec grew by 4.7%; in the province's maritime regions, the population declined by nearly 5.0 percent. More than 11 000 people left these regions. The population of the North Shore region alone decreased by 11.7 percent; it is also in this region that the population is aging the most rapidly.



3.2 Labour Market

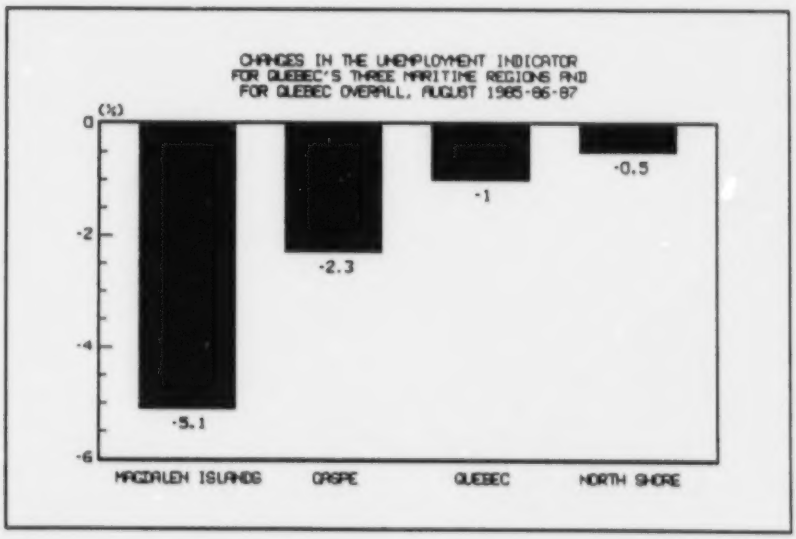
Graph 17:

The unemployment indicator is higher than the provincial average in all of Quebec's maritime regions. While the greatest number of unemployed are found in the Magdalen Islands, this region has, nonetheless, experienced the most marked improvement in its labour market.



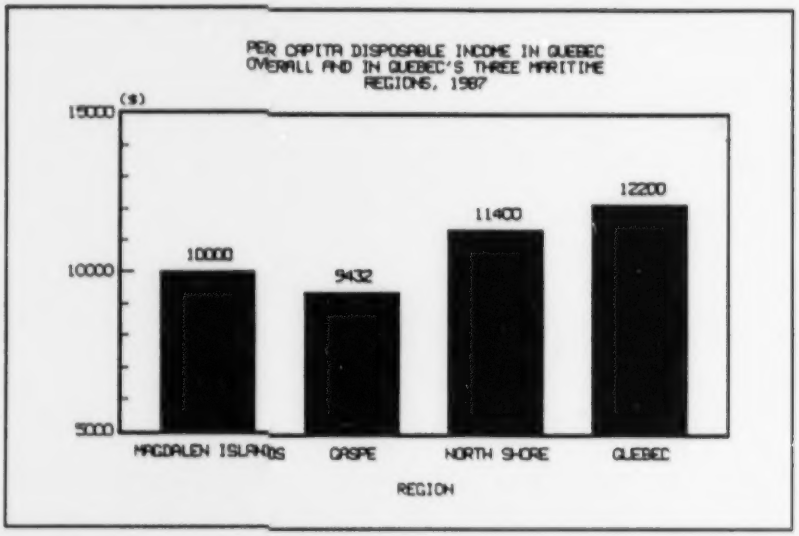
Graph 18:

The North Shore is the only maritime region where the labour market has revived less rapidly than in Quebec as a whole.



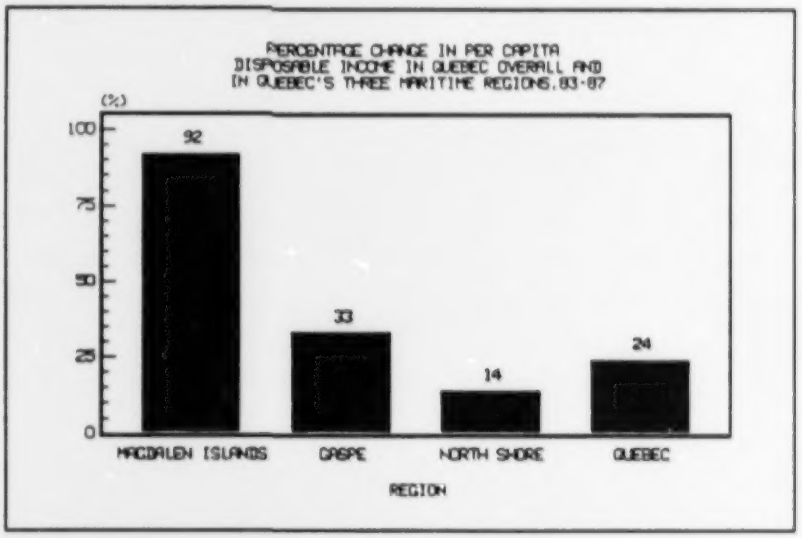
3.3 Income

Graph 19:



Inhabitants of Quebec's maritime regions are at a disadvantage in terms of the labour market and income. Per capita disposable income in each region is below the provincial average. In the Gaspé region, the disparity is $2 746.

Graph 20:

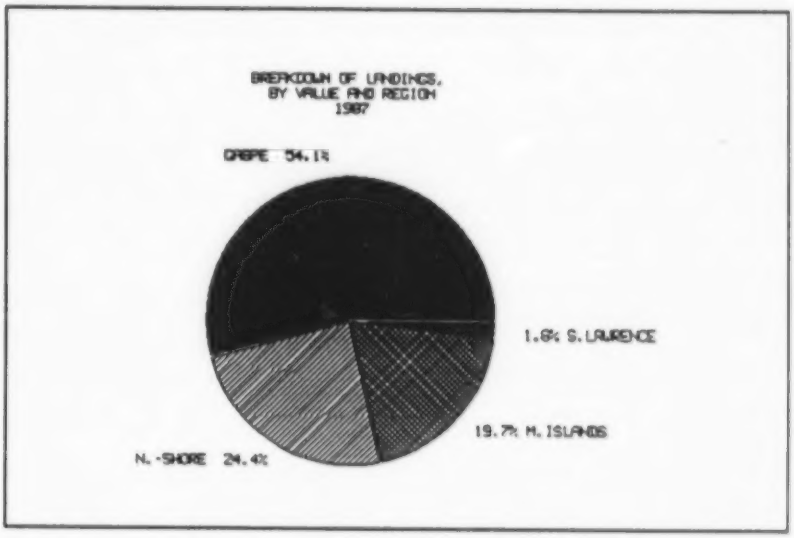


The situation appears to be improving. Except for the North Shore region, the per capita disposable income of residents of Gaspé and the Magdalen Islands appears to be increasing more rapidly than in Quebec as a whole. Since 1983, the per capita disposable income of residents of the Magdalen Islands has almost doubled.

3.4 Quebec Fishing Industry

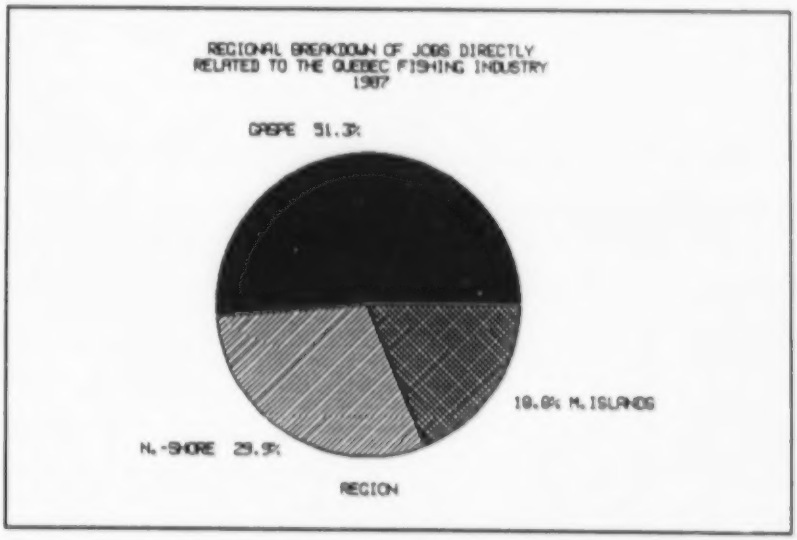
Graph 21:

The Gaspé region ranks first in terms of landings, by value, with 54.1 percent of the total, followed by the North Shore (24.4 percent), the Magdalen Islands (19.7 percent) and the St. Lawrence region (1.8 percent).



Graph 22:

The Gaspé region accounted in 1987 for 51.3 percent of the 13 311 jobs created by the fishing industry in Quebec's maritime regions, followed by the North Shore (29.9 percent) and the Magdalen Islands (18.8 percent).

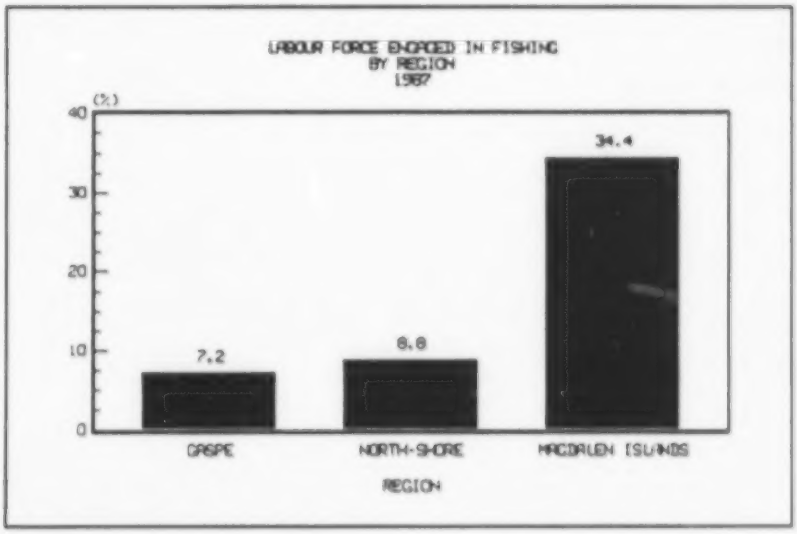


3.5 Importance of Fishing within the Regions

Contrary to popular belief, not all residents of Quebec's maritime regions are engaged in fishing. Fishing is more extensive in some sub-regions than in others, with wide variations from one region to the next.

Graph 23:

In the Magdalen Islands, 34.4 percent of the labour force is engaged in the primary, secondary and tertiary sectors of the fishing industry; on the North Shore, 7.2 percent; and in the Gaspé region, 8.8 percent.



CONCLUSION

It is not easy for us to draw a conclusion to such a study. Even though it is common practice to outline a brief analysis and general directives, it would be presumptuous to do so in this case. Under these considerations, it belongs to each reader to make his own conclusion based on the analysis of the data.

For those who would like to extend further the exercice, we remind you that here are two similar documents available, one covering the North Shore Region and the other covering the Gaspe Region. A statistical supplement is also available.

Appendix 1

Profiles of Various Magdalen Islands Fishing Fleets, 1987

Fleet	Number of Vessels	Average Age of Owner	Average Age of Fleet	Value of Landings	Owner's Average Earnings*
Trawlers	5	54	10	474 677	149 282
Longliners (35')	79	42	13	1 222 904	3 222
Southwestern Gulf crabbers	10	41	21	3 286 901	150 985
Lobster Boats	324	43	8	14 014 802	** 21 232
Scallopers	4	50	12	114 106	43 384
Scottish seiners	7	40	6	1 524 053	133 792
Other	11	-	-	3 505 472	-
TOTAL:	448			24 142 915	

* Represents average cash income for a fleet in Quebec.

** Specific to the Magdalen Islands.

Source: DFO, Economic Services Branch, Quebec.

Appendix 2

Glossary

ADP:

Atlantic Development Program.

Cash income:

Cash income is established by only taking into account funds actually received and spent during the fiscal year. It provides information on financial performance during the year in question, and represents the captain-owner's pre-tax salary.

Employee in the primary sector of the fishing industry:

Any person working on a fishing vessel, i.e a fisherman or his helper.

Employee in the secondary sector of the fishing industry:

Any person involved in fish processing.

Employee in the tertiary sector of the fishing industry:

Any person working for an agency providing services to the fishing industry.

ERDA:

Economic and Regional Development Agreement.

Estuary and Middle North Shore crabbers:

The fleet of Estuary and Middle North Shore crabbers consists of vessels holding a permit to catch snow crabs in management zones 16 and 17, and whose main source of income is the sale of crab.

Fishing fleet:

All fishing vessels from a region which have been active during a given year.

Labour force:

The number of individuals in the population 15 and over either working or unemployed.

Lobster boats:

The fleet of lobster boats consists of vessels whose main source of income is derived from catching lobsters. An exception is made with respect to vessels without a permit but whose main source of income is the sale of lobster; they are also deemed to be lobster boats.

Longliners 50 feet or more in length:

The fleet of longliners 50 feet or more in length consists of vessels holding a permit to catch fish with fixed lines (gillnets, longlines, weirs and cod traps), whose main source of income is derived from the use of such gear and whose overall length is 50 feet or more.

Longliners between 35 feet and 50 feet in length:

The fleet of longliners between 35 feet and 50 feet in length consists of vessels holding a permit to catch fish with fixed lines (gillnets, longlines, weirs and cod traps), whose main source of income is derived from the use of such gear and whose overall length is between 35 feet and 49 feet 11 inches.

Longliners 35 feet or less in length:

The fleet of longliners 35 feet or less in length consists of vessels holding a permit to catch fish with fixed lines (gillnets, longlines, weirs and cod traps), whose main source of income is derived from the use of such gear and whose overall length does not exceed 34 feet 11 inches.

Lower North Shore crabbers (LNS crabbers):

The fleet of Lower North Shore crabbers consists of vessels holding a permit to catch snow crabs in management zones 13, 14 and 15 (from Kégaska to Lourdes de Blanc-Sablon), whose main income is derived from the sale of crab. An exception is made with respect to vessels without a permit, whose main source of income is the sale of crab caught in this zone; such vessels are also deemed to be Lower North Shore crabbers.

MLI:

Maurice Lamontagne Institute.

Per capita disposable income (disposable personal income):

$$\frac{\text{Gross income of the population}}{\text{Total population}}$$

Population able to work:

Population between 15 and 64.

Profit margin:

The profit margin of fish processing plants is established by calculating the difference between the price per kilogram of the production of a type of finished product and the price of the raw material used in manufacturing the product. Thus, the profit margin is the amount available to the producer to pay his other variable and fixed costs, and make a profit from production activities.

Regional Fund:

Regional Fund.

Scallopers:

The scalloper fleet consists of vessels whose main source of income is the sale of scallops.

Scottish seiner:

The fleet of Scottish seiners consists of vessels holding a permit to catch groundfish with mobile gear, primarily using the Scottish seine, and whose main source of income is the sale of groundfish.

Southwestern Gulf crabbers:

The fleet of southwestern Gulf crabbers consists of vessels holding a permit to catch snow crabs in management zone 12, and whose main source of income is the sale of crab.

SRCP Program:

Special Recovery Capital Projects Program.

Trawlers:

The fleet of trawlers consists of vessels holding a permit to catch groundfish using mobile gear. Shrimpers and Scottish seiners are excluded from this fleet.

Unemployment indicator:

The indicator is always below the standard unemployment rate; it makes possible the comparison of the proportion of unemployed in various regions where the unemployment rate is not available. The unemployment indicator is estimated in the following manner:

$$\frac{\text{Regular unemployment insurance beneficiaries}}{\text{Population able to work}} \times 100$$

DIVISION DES SERVICES ECONOMIQUES

ECONOMIC SERVICES DIVISION

Ministère des Pêches et des Océans - Région du Québec
Department of Fisheries and Oceans - Quebec Region

(1989-02-13)

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